

SECRET  
FILE *Travel 6*

DD/S 71-0166

15 JAN 1971

MEMORANDUM FOR: Director of Finance

SUBJECT : Proposed Revision of Standardized Government  
Travel Regulations (Office of Management and  
Budget Circular No. A-7)

I talked to the Executive Director about the latest OMB proposal to amend the Standardized Government Travel Regulations to insert lodging plus method of setting per diem rates. I told him that you had developed a proposal for Agency application in the event it should be considered necessary. I recommended, however, that we make no change in our present arrangements and that we make no response to the OMB 18 December 1970 memorandum. The Executive Director agreed on both counts. I assume that you will provide any internal guidance which you consider pertinent following the publication of the change to SGTR's by OMB when and if that is issued.

(signed) John W. Coffey

John W. Coffey  
Deputy Director  
for Support

cc: ExDir-Compt D/P  
C/TPC SSA-DD/S  
D/PPB

DD/S:JWC:llc (14 January 1971)

Distribution:

- O - Addressee w/ att & 11 cc's
- 1 - ExDir
- 1 - C/TPC
- 1 - D/PPB
- ✓ 1 - DD/S Subject w/cc att
- 1 - DD/S Chrono

Att: DD/S 71-0089 - Memo for DD/S frm D/F dtd 11 Jan 71 subj: Proposed Revision of Standardized Government Travel Regulations (Office of Management and Budget Circular No. A-7)

Approved For Release 2002/10/30 : CIA-RDP84-00780R004400100005-0  
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We understand that with the exception of ~~the~~ OEO ~~Office of Equal Opportunity~~ (Bob Cassidy wrote another purple prose response) other departments and agencies are not opposing the latest OMB proposed revision of Standardized Travel Regulations to incorporate a "lodgings-plus" method of determining per diem. In fact, some are very much for this system. Since OMB is evidently determined to impose this change, it would appear unwise to register again our opposition. We suggest that no comments be sent to OMB in response to Dwight Ink's invitation.

Le s Bush has prepared the attached memornadum on the assumption that we must ~~comply~~ effect a change and his proposal represents a minimal "hurt" to Agency and Agency travellers. He would actually have the Agency prefer to/make no change which is my very strong ~~recommendation~~ recommendation. If, ~~on~~ on the other hand, you believe that we must evidence some compliance, I will approve the attached memo as being the best Agency action.

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DD/S 71-0096

MEMORANDUM FOR: Executive Director-Comptroller

Other than the Office of Equal Opportunity, it is my understanding that other agencies are not taking strong opposition to the OMB proposal for "lodgings-plus" method of determining per diem. In fact, several agencies are very much for it. I think we would be fighting the tide and little purpose served by going on record again as being against the proposal inasmuch as it appears a firm decision has been taken to impose guidelines.

The attached memorandum from the Director of Finance proposes a simple method of handling per diem under the OMB proposal. Therefore I suggest we offer no comments to the OMB; and if you concur, I will approve the recommendation of the Director of Finance.

John W. Coffey

Att: Memo dtd 11 Jan 71 to DD/S Fm D/Fin,  
subj: Proposed Revision of Standardized  
Government Travel Regulations (Office of  
Management and Budget Circular No. A-7)

SECRET

71.0089

11 JAN 1971

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Proposed Revision of Standardized Government Travel Regulations (Office of Management and Budget Circular No. A-7)

REFERENCES : (a) Memorandum for Members of Executive Officers Group from Assistant Director of Management and Budget, same subject, dated 18 December 1970  
(b) Memorandum for the Deputy Director for Support from Chairman, Travel Policy Committee, dated 18 August 1970, same general subject  
(c) Memorandum for Bureau of the Budget from the Executive Director, dated 14 April 1970, concerning the same general subject

1. This memorandum provides general information and includes in paragraph 6 a suggested course of action for implementing the provisions of reference (a).

2. Reference (a), as you will recognize, represents the product of a considerable amount of Government-wide discussion of ways and means to introduce some degree of uniformity in criteria used by agencies for establishing per diem rates within the current statutory maximum of \$25.00. This proposal provides that per diem rates shall be established on the basis of the average amount the traveler pays for lodgings plus a suitable allowance for meals and miscellaneous expenses. It also permits an agency in given circumstances to determine per diem rates without separate reference to lodging costs and permits an agency to accept employee certification as to the correctness of lodging costs when per diem rates are established in part on the basis of such costs.

3. The present proposal provides agencies substantially greater latitude in the methodology for establishment of per diem rates than was provided by the 15 July 1970 proposal to which reference (b)

GROUP 1  
downgrading and  
declassification

SUBJECT: Proposed Revision of Standardized Government Travel Regulations (Office of Management and Budget Circular No. A-7)

comments were directed. As a matter of interest, it resembles quite closely the initial proposal transmitted to agencies for comment by Bureau of Budget letter dated 17 March 1970. We believe the attached reference (c) comments on that initial proposal to the effect that the costs and complexities of administration would outweigh potential savings to the Government are equally applicable to the present proposal. Admittedly, implementation of the proposal in the manner outlined in paragraph 4b. below will result in reduced per diem rates in some instances. As a practical matter, however, it seems doubtful that the case basis savings will warrant the requirement that every traveler on every trip maintain a record of the costs of lodging as a basis for determining his per diem rate for the trip.

4. It seems apparent, however, that the Office of Management and Budget has determined as a matter of policy that the substance of the present proposal will be implemented. We believe the proposal provides as much latitude as we might reasonably expect and thus believe there would be no purpose in responding to the reference (a) invitation for comment. There follows a brief outline of the manner in which we believe the proposal can be implemented with minimum impact on agency administrative workload and without at the same time burdening employees with extensive record-keeping and reporting requirements.

a. Although the proposal applies to all travel in the United States, we propose to apply it only to TDY travel and to omit application entirely to travel in Alaska and Hawaii because of the small amount of travel in those areas. It is expected that the domestic portion of most PCS and home leave travel will soon be covered by commuted rate schedules, and it would be completely impracticable to provide for a variable per diem rate in the establishment of such schedules.

b. In implementing the proposal for TDY travel in CONUS, we believe that travel authorizing officials should continue to have the authority to establish specific dollar amount per diem rates of less than \$25.00 in circumstances where such rates are warranted because total subsistence costs of lesser amount may be accurately estimated in advance. In the more common situations, however, where employees are authorized

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SUBJECT: Proposed Revision of Standardized Government Travel Regulations (Office of Management and Budget Circular No. A-7)

"maximum" per diem, it is proposed that the actual dollar amount of the rate to be used in preparing the travel voucher be determined after the fact upon the basis of a sliding scale to be published in [redacted] It is proposed that the sliding scale keyed to the average costs of lodging be as reflected in Tab A attached. This sliding scale is consistent with the general premise supported by Agency regulations that 50 percent of the per diem allowance on the average is needed for lodging and the remaining 50 percent for meals and incidentals. We have developed the sliding scale simply by substituting actual average lodging cost for one-half of the \$25.00 maximum and by allowing a matching amount for meals and incidentals.

25X1

5. In application and unless a specific dollar per diem rate of less than \$25.00 is specified in the travel order, it is proposed simply that the employee in submitting a travel voucher be required to include a certification specifying the average cost of lodging for the trip as a basis for determining the rate of per diem to be used in computing his per diem reimbursement entitlement. We plan in this connection to maintain statistics for a 6 month period concerning per diem paid as a basis for reevaluating the Agency position in this matter.

6. It is recommended that you approve in principle the concepts outlined in paragraphs 4 and 5 above. We plan to solicit the assistance of the Travel Policy Committee in the development of procedures and instructions for the actual implementation of these concepts, assuming they are approved.

25X1



L. E. BUSH  
Director of Finance

Attachment

The recommendation in paragraph 6 is approved.

SEE MEMO DTD 15 JAN 71 FOR  
Deputy Director for Support

D/F FK 3315  
SAME SUPJ

SECRET



**SECRET**

SUBJECT: Proposed Revision of Standardized Government Travel  
Regulations (Office of Management and Budget  
Circular No. A-7)

Distribution:

Orig. & (2) Adse *subij*  
1 - EO/DDS  
2 - D/Finance  
6 - Each TPC Member

**SECRET**

Per Diem Table for Travel  
Within CONUS

<u>Average Cost of Lodging a/</u>	<u>Maximum Per Diem Rate</u>
\$12.01 or above	\$25
\$11.01 - \$12.00	24
\$10.01 - \$11.00	22
\$ 9.01 - \$10.00	20
\$ 8.01 - \$ 9.00	18
\$ 8.00 - or less	16

a/ Total amount spent for lodging divided by number of nights lodging expense incurred.

EXECUTIVE OFFICE OF THE PRESIDENT

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OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

Executive Registry

70.6220

DEC 18 1970

DD/S 70.4986

Rft

MEMORANDUM FOR MEMBERS OF EXECUTIVE OFFICERS GROUP

Subject: Proposed revision of Standardized Government Travel Regulations  
(Office of Management and Budget Circular No. A-7)

Attached is a proposed amendment to the Standardized Government Travel Regulations to require the adoption of a lodgings-plus method of setting per diem rates by all departments and establishments. The majority of agencies already have systems for setting per diem rates which are compatible or almost compatible with the proposed system.

The need to establish the lodgings-plus system on a Government-wide basis has been considered in light of all the comments, general and technical, which have been received in connection with this proposal. We have concluded that better management of travel per diem will be achieved by implementation of this system and that agency travel funds will be conserved without adversely affecting the Government traveler.

We plan that this amendment will be issued about February 1, 1971. Any comments you may have on the draft should be received by January 15, 1971, to permit full consideration.

*Dwight A. Ink*  
Dwight A. Ink  
Assistant Director

Attachment

EXECUTIVE OFFICE OF THE PRESIDENT

Approved For Release 2002/10/30 : CIA-RDP84-00780R004400100005-0  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

DRAFT  
CIRCULAR NO. A-7  
Revised

Transmittal Memorandum No. \_\_\_\_\_

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Standardized Government Travel Regulations

1. Purpose. This Transmittal Memorandum prescribes a system for setting per diem rates which is designed to provide employees with adequate reimbursement for subsistence expenses incurred while traveling on official business in the United States and to create a basis for greater uniformity among agencies with respect to travel per diem policies and procedures.

2. Amendment. The Standardized Government Travel Regulations are amended by adding the following at the end of section 6.2a:

"For travel in the United States when lodging away from the official station is required agencies shall fix per diem for employees partly on the basis of the average amount the traveler pays for lodgings. To such amount, i.e., the average of amounts paid for lodging while traveling on official business during the period covered by the voucher, shall be added a suitable allowance for meals and miscellaneous expenses. The resulting amount rounded to the next whole dollar, if the result is not in excess of the maximum per diem, will be the per diem rate to be applied to the traveler's reimbursement in accordance with the applicable provisions of this section. If such result is more than the maximum per diem allowable such maximum will be the per diem allowed. No minimum allowance will be authorized for lodging since those allowances are based on actual lodging expenses. Receipts for lodging costs may be required at the discretion of each agency, however, employees will be required to certify to the correctness of appropriate statements relating to average lodging costs. An agency may determine that the lodgings-plus system as prescribed herein is not appropriate in given circumstances as when quarters or meals, or both, are provided at no cost or at a nominal cost by the Government or when for some other reason the subsistence costs which will be incurred by the employee may be accurately estimated in advance. In such cases a specific per diem rate may be established and reductions made in accordance with this section provided the exception from the lodgings-plus method is authorized in writing by an appropriate official of the agency involved."

(No. A-7)

3. Implementation. With respect to the allowance for meals and miscellaneous expenses, no specific dollar amount would be appropriate in all cases since those costs vary significantly in different travel situations. To the maximum extent possible the allowance used for those costs by each agency will be based on representative cost experience which takes into account differing travel requirements. Agencies should cooperate in making subsistence cost studies and share information derived from such studies.

4. Effective date. Agencies should take action to implement the lodgings-plus method of fixing per diem rates prescribed in this Transmittal Memorandum at the earliest possible date, but in no event later than 90 days from this date.

DIRECTOR

3484  
DD/70-A  
Ref B

18 AUG 1970

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Standardized Government Travel Regulations

REFERENCE : Memorandum from DDB, to Chairman, Travel Policy Committee, Subject: Same as above, dated 27 July 1970 (DB/S 70-3049)

1. The Travel Policy Committee met on 5 August 1970 and in accordance with your request in reference considered the draft revision to the Office of Management and Budget (OMB) Circular A-7. All members of the Committee indicated their opposition to the proposed revision for reasons which are discussed in paragraph 3.

2. Briefly summarized the proposed revisions would establish on a mandatory basis the requirement that agencies observe certain routines in establishing per diem rates; first, the collection of data on actual subsistence expenses incurred by travelers during normal assignments and, second, the establishment of per diem rates not to exceed the allowable maximum of \$25 under one of the following alternatives:

a. When Agency cost data are reasonably complete, establish per diem suitable to the circumstances;

b. When normal cost for lodging is not known, establish a per diem after the fact based upon the traveler's daily average of lodging costs during the trip, plus an Agency-determined dollar "factor" covering all other daily costs; and

c. When cost of meals and miscellaneous expenses is not known, refer to the Agency's data bank and establish a per diem rate based upon average lodging costs recently incurred by travelers to the particular location, plus 75 percent of the overall average of lodging costs to cover meals and miscellaneous expenses. The 75 percent factor is subject to adjustment by a responsible official if determined to be inappropriately high or low. (No provision is made for situations where the Agency lacks information

SUBJECT : Standardized Government Travel Regulations

covering lodging, meals, and miscellaneous expenses. Presumably, until appropriate data is collected for the location concerned a "mix" of alternatives "b" and "c" would be employed, with per diem to be established after the fact using the traveler's daily average lodging costs plus 75 percent to cover meals and other allowable expenses.)

3. The Travel Policy Committee's specific objections to implementing the proposed revisions for establishing per diem rates are as follows:

a. CIA personnel travel primarily to major metropolitan areas, i.e., cities with a population of 500,000 or more. A review of 539 domestic TNY travel vouchers, approximately an average month's volume, revealed that 83 percent of the Agency's domestic trips were to such areas averaging 2 3/4 days each. It is believed that costs in such areas generally justify authorization of the maximum allowable per diem and it would seem that only a marginal purpose would be served by establishing and maintaining cost data banks for travel to other areas.

b. Agency operating officials appear to be exercising sound judgment in reducing per diem where it is obvious that travel costs are less. For example, the Office of Communications reduces per diem from \$25 per day to \$13 per day [redacted] and the Office of EIRM reduces per diem for travel to the [redacted] from \$25 per day to as little as \$10 per day when students are in training for a lengthy period. Reduction of per diem has been clearly recognized by the authorizing officers and implemented in connection with extended TDY, group TDY, TNY to Agency facilities providing quarters and a variety of other situations indicating maximum per diem to be unnecessary.

c. From our examination of the proposed OMB revision to Circular A-7 it appears that the administrative burden for maintaining records and common costs associated with travel would be extremely heavy. Accordingly, if there were any savings that might accrue from reductions in per diem these would be more than offset by the additional cost for record keeping.

4. On the basis of the above, the Travel Policy Committee recommends that CIA go on record as being opposed to this particular revision of Circular A-7. If any revision is still to be made it is recommended:

a. That the OMB as a service of common concern centrally accumulate cost data from agencies having large and diversified amounts of travel in the United States and disseminate this data

110-134111

DD/S 70-1501

Ref C

14 APR 1970

Mr. William A. Bolcyn  
Acting Director, General Government  
Management Division  
Bureau of the Budget  
Washington, D. C. 20503

Dear Mr. Bolcyn:

Thank you for your letter of 17 March 1970 offering the opportunity to comment on the Draft Circular regarding per diem rates.

At the time the \$25 maximum per diem rate was authorized, we reviewed our policy and criteria for authorizing reimbursement for travel. We considered using sliding rate scales of per diem, reimbursement for lodging plus fixed amounts to cover other elements of travel expense, and application of fixed rates within the maximum. We concluded that \$25 is appropriate for most travelers and reaffirmed our long-standing policy that officers authorizing travel are responsible for establishing per diem allowances within the statutory maximum to meet the requirements of the particular travel.

The Revised Transmittal Memorandum No. 10 introduces costs and complexities which seem to outweigh any potential advantages which might be derived from adoption of the proposal. It is our position that the interests of the Government and the traveler are well served by our present policy. If it is necessary to publish guidelines, we urge that they be for optional use.

Sincerely,

/s/ L. K. White

L. K. White

Executive Director





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INTERNAL  
USE ONLY

CONFIDENTIAL



SECRET

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Proposed Revision of Standardized Government Travel Regulations (Office of Management and Budget Circular No. A-7)

FROM:

EXTENSION

NO.

25X1 Director of Finance

DATE

7 January 1971

TO: (Officer designation, room number, and building)

DATE

OFFICER'S  
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

RECEIVED

FORWARDED

1. Deputy Director for Support

The attached paper relates to the most recent proposal of the Office of Management and Budget for establishment of criteria for use in determining per diem rates within the current statutory maximum of \$25.00. As a matter of interest, we have learned based on informal discussion with a representative of the Department of State that the Department is tentatively planning to again inform the Office of Management and Budget of its reservations concerning the proposal. The Department nevertheless apparently will endeavor to comply with the spirit of the proposal for Departmental personnel as well as for Foreign Service personnel even though the proposal technically is not applicable to Foreign Service personnel because such personnel travel under Foreign Service Travel Regulations. The \$25 maximum per diem rate is established by Statute, however, and applies equally to both categories of personnel, so the Department is apparently of the view that as a matter of equity it will follow a consistent procedure for establishing per diem rates within the statutory maximum for both categories of personnel; the methodology has not as yet been determined.

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J. E. BUSH

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DD/5 26-0053

# OFFICE OF ECONOMIC OPPORTUNITY

EXECUTIVE OFFICE OF THE PRESIDENT  
WASHINGTON, D.C. 20506

Executive Registry  
71-142

December 31, 1970

Mr. Dwight A. Ink  
Assistant Director  
Office of Management and Budget  
Washington, D. C. 20503

Dear Dwight:

Again, thank you for the opportunity to comment on the proposed amendment to the Travel Regulations that would require all departments and agencies to adopt "a lodgings-plus method of setting per diem rates."

I want to reaffirm my complete opposition to this proposal as stated in my letter to Mr. Boleyn last March 25. Even more so, after reading the feckless method set out in the draft proposal which, rather than achieving the stated goal of greater uniformity, will only add to greater bureaucratic obfuscation in the entire Federal service.

Logic would suggest that if valid cost information is available to the Office of Management and Budget that enables you to "prescribe a system for setting rates which is designed to provide employees with adequate reimbursement for subsistence expenses..." and surely the Office of Management and Budget would not have made this decision to impose such an all-encompassing system (with its attendant increased administrative costs) on the entire Federal establishment without irrefutable cost analyses, then it would seem appropriate to have taken the final step and prescribe a scale of fair reimbursement rates for meals and miscellaneous expenses that all departments and agencies could uniformly apply.

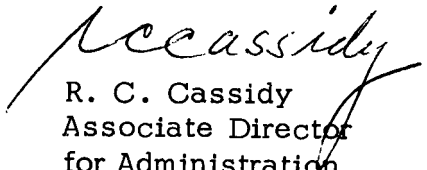
Lacking the information to so prescribe, either your goal of uniformity or your method of achieving it is suspect.

My position is as follows:

-3-

geographical areas. I submit that this is the exception rather than the rule and should be treated as such rather than saddling the entire Federal service with a parsimonious system based on questionable data designed to achieve purposes that are at best suspect which will, in my opinion, produce additional administrative costs rather than savings and will only lead to additional and needless bureaucratic irritation for all Federal employees.

I do have an alternative proposal. You have been looking for ways to give meaning to the Regional Councils. Recognizing geographical variations in traveling expenses, I recommend you charge the Regional Councils, in concert with the Federal Executive Boards, with drawing up recommended per diem rate schedules for each region based on the best cost data available from all Departments and Agencies within the regions. The Office of Management and Budget then can bring its considerable weight to encouraging all Departments and Agencies to adopt regional rates that will assure fair and adequate reimbursement to Federal employees and achieve the desired uniformity and savings, if any, on a sensible basis while reaffirming our trust and confidence in the hardworking, conscientious Federal employees who comprise the overwhelming majority of our work-force.

  
R. C. Cassidy  
Associate Director  
for Administration

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

DRAFT  
CIRCULAR NO. A-7  
Revised

Transmittal Memorandum No. \_\_\_\_\_

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Standardized Government Travel Regulations

1. Purpose. This Transmittal Memorandum prescribes a system for setting per diem rates which is designed to provide employees with adequate reimbursement for subsistence expenses incurred while traveling on official business in the United States and to create a basis for greater uniformity among agencies with respect to travel per diem policies and procedures.
2. Amendment. The Standardized Government Travel Regulations are amended by adding the following at the end of section 6.2a:

"For travel in the United States when lodging away from the official station is required agencies shall fix per diem for employees partly on the basis of the average amount the traveler pays for lodgings. To such amount, i.e., the average of amounts paid for lodging while traveling on official business during the period covered by the voucher, shall be added a suitable allowance for meals and miscellaneous expenses. The resulting amount rounded to the next whole dollar, if the result is not in excess of the maximum per diem, will be the per diem rate to be applied to the traveler's reimbursement in accordance with the applicable provisions of this section. If such result is more than the maximum per diem allowable such maximum will be the per diem allowed. No minimum allowance will be authorized for lodging since those allowances are based on actual lodging expenses. Receipts for lodging costs may be required at the discretion of each agency, however, employees will be required to certify to the correctness of appropriate statements relating to average lodging costs. An agency may determine that the lodgings-plus system as prescribed herein is not appropriate in given circumstances as when quarters or meals, or both, are provided at no cost or at a nominal cost by the Government or when for some other reason the subsistence costs which will be incurred by the employee may be accurately estimated in advance. In such cases a specific per diem rate may be established and reductions made in accordance with this section provided the exception from the lodgings-plus method is authorized in writing by an appropriate official of the agency involved."

(No. A-7)

3. Implementation. With respect to the allowance for meals and miscellaneous expenses, no specific dollar amount would be appropriate in all cases since those costs vary significantly in different travel situations. To the maximum extent possible the allowance used for those costs by each agency will be based on representative cost experience which takes into account differing travel requirements. Agencies should cooperate in making subsistence cost studies and share information derived from such studies.

4. Effective date. Agencies should take action to implement the lodgings-plus method of fixing per diem rates prescribed in this Transmittal Memorandum at the earliest possible date, but in no event later than 90 days from this date.

DIRECTOR

JAN 7 2 21 PM '71

Mr. William A. Boleyn  
Acting Director, General Government  
Management Division  
Bureau of the Budget  
Washington, D. C. 20503

Dear Mr. Boleyn:

Thank you for the opportunity to comment on your Draft Circular regarding standard per diem rates.

I want to go on record as unalterably opposed to any sliding-scale method for administering per diem rates. I don't know why us bureaucrats always have to be holier than the Church!

In your letter you say that "...the current maximum rate of \$25 is higher than is necessary to provide appropriate reimbursement for most travelers..." is a fact. The travel experiences of our employees do not support this. I would like to see the proof for this fact, since it is the basis upon which you propose subjecting the entire Federal establishment to the administrative burdens and cost of adjusting each and every of the thousands and thousands of travel vouchers submitted by Federal employees to their Finance Offices each year.

I am opposed to such a plan for two reasons:

- (1) It needlessly subjects Federal employees to the irritating business of securing and maintaining receipts to prove their expenses-- and, in the absence of same, to the even more irritating and endless delays and squabbles with Finance Offices in securing reimbursement while,
- (2) The administrative costs of policing such a system far outweigh any presumed savings that are squeezed out of the pockets of Federal travelers.

I therefore recommend against a required sliding-scale system for all Federal agencies. (I think you need to take a very critical look at some of your assumptions: (a) that "more uniform treatment of employees" is meaningful and/or feasible; (b) that the overall costs to administer and police an actual-expenses system are less than a straightforward, simple flat-rate system; (c) that Federal employees, in general, need to be subject to the denigrating practices that will ensue from this policy.)

If, after taking a searching look at all facets of this question, you still intend to issue such a policy, I recommend that you make the adoption of a sliding-scale system optional and allow an escape clause to those of us who don't wish to engage in this costly bureaucratic shim-sham at the expense of our employees.

I am taking the liberty of sending a copy of this reply to all of the members of the Executive Officers' Group (in the hope, quite frankly, of influencing some of them) as well as to the Executive Committee of our local employee union.

Sincerely,

R. C. Cassidy  
Associate Director  
for Administration



70-6220

**DEC 18 1970**


MEMORANDUM FOR MEMBERS OF EXECUTIVE OFFICERS GROUP

Subject: Proposed revision of Standardized Government Travel Regulations  
(Office of Management and Budget Circular No. A-7)

Attached is a proposed amendment to the Standardized Government Travel Regulations to require the adoption of a lodgings-plus method of setting per diem rates by all departments and establishments. The majority of agencies already have systems for setting per diem rates which are compatible or almost compatible with the proposed system.

The need to establish the lodgings-plus system on a Government-wide basis has been considered in light of all the comments, general and technical, which have been received in connection with this proposal. We have concluded that better management of travel per diem will be achieved by implementation of this system and that agency travel funds will be conserved without adversely affecting the Government traveler.

We plan that this amendment will be issued about February 1, 1971. Any comments you may have on the draft should be received by January 15, 1971, to permit full consideration.

  
Dwight A. Ink  
Assistant Director

Attachment

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WASHINGTON, D.C. 20503

70-6220

DEC 18 1970

DD/S 70-4986

MEMORANDUM FOR MEMBERS OF EXECUTIVE OFFICERS GROUP

**Subject:** Proposed revision of Standardized Government Travel Regulations  
(Office of Management and Budget Circular No. A-7)

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*Dwight A. Ink*  
Dwight A. Ink  
Assistant Director

Attachment

DRAFT  
CIRCULAR NO. A-7

Revised

Transmittal Memorandum No. \_\_\_\_

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Standardized Government Travel Regulations

1. Purpose. This Transmittal Memorandum prescribes a system for setting per diem rates which is designed to provide employees with adequate reimbursement for subsistence expenses incurred while traveling on official business in the United States and to create a basis for greater uniformity among agencies with respect to travel per diem policies and procedures.

2. Amendment. The Standardized Government Travel Regulations are amended by adding the following at the end of section 6.2a:

"For travel in the United States when lodging away from the official station is required agencies shall fix per diem for employees partly on the basis of the average amount the traveler pays for lodgings. To such amount, i.e., the average of amounts paid for lodging while traveling on official business during the period covered by the voucher, shall be added a suitable allowance for meals and miscellaneous expenses. The resulting amount rounded to the next whole dollar, if the result is not in excess of the maximum per diem, will be the per diem rate to be applied to the traveler's reimbursement in accordance with the applicable provisions of this section. If such result is more than the maximum per diem allowable such maximum will be the per diem allowed. No minimum allowance will be authorized for lodging since those allowances are based on actual lodging expenses. Receipts for lodging costs may be required at the discretion of each agency, however, employees will be required to certify to the correctness of appropriate statements relating to average lodging costs. An agency may determine that the lodgings-plus system as prescribed herein is not appropriate in given circumstances as when quarters or meals, or both, are provided at no cost or at a nominal cost by the Government or when for some other reason the subsistence costs which will be incurred by the employee may be accurately estimated in advance. In such cases a specific per diem rate may be established and reductions made in accordance with this section provided the exception from the lodgings-plus method is authorized in writing by an appropriate official of the agency involved."

(No. A-7)

3. Implementation. With respect to the allowance for meals and miscellaneous expenses, no specific dollar amount would be appropriate in all cases since those costs vary significantly in different travel situations. To the maximum extent possible the allowance used for those costs by each agency will be based on representative cost experience which takes into account differing travel requirements. Agencies should cooperate in making subsistence cost studies and share information derived from such studies.

4. Effective date. Agencies should take action to implement the lodgings-plus method of fixing per diem rates prescribed in this Transmittal Memorandum at the earliest possible date, but in no event later than 90 days from this date.

DIRECTOR

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